

Building Community Foundations

Bulletin #7 February 1993

Grantmaking Consulting Program

Sponsored by the Philanthropic Ventures Foundation

Bill Somerville, President

Funded by the David & Lucile Packard Foundation

This Bulletin is part of a monthly series offering commentary on grantmaking by community foundations. It is based on information gleaned from on-site visits to thirty-five community foundations in the past sixteen months.

The Philanthropic Ventures Foundation has been funded to undertake a study of community foundations and their ability to respond to emergencies/disasters. A handbook for use by all community foundations will result from the study.

This is an appeal to anyone in the community foundation field who has information on programs/efforts responding to emergencies. Call (415) 854-2164.

Services to Non-Profits New Dimensions that Complement Grantmaking

Advocacy is one of the quality factors in foundation work, and it means that our job is to help whomever walks in the door to be successful. Community foundations can offer a variety of services: they are a source of funds, a source to help people find funds (funding library), and a source to help non-profits succeed (management seminars).

It is in the offering of all these services that a community foundation begins to realize its full potential.

Funding Library

A growing number of community foundations are sponsoring, and sometimes actually running, a funding resource library.

Such a library is available, without charge, to anyone in the non-profit human service sector. It is a collection of resource materials that aids the fund seeker.

The basic materials of a funding library are publications of the Foundation Center in New York City. These are the most complete data on foundations and grantmaking. They include the annual Foundation Directory (listing 8,729 foundations), a directory of the 1,000 foundations that do 90% of the grantmaking, a listing of all grants over \$5,000 made the previous year - by whom, to whom, the purpose and amount of the grant.

The Foundation Center publishes materials on corporate grantmakers, international grantmaking, grantmaking to individuals. The Center compiles this data from IRS records

and reports from foundations (all community foundations should be reporting their grants to the Foundation Center).

Sara Engelhardt, President of the Foundation Center, has expressed interest in making community foundation funding libraries "cooperating collections" of the Center and thereby eligible for a discount on the resource materials purchased. The basic collection of resource books costs about \$800 (annually). A community foundation can fund such a purchase as a program related grant.

As a library develops, its collection can get more sophisticated. One community foundation makes available its file on grant requests which are over eight years old. This includes the original request, the staff writeup, correspondence, and Board action. Thus the complete process is shared with the non-profit public - no mysteries or secrets.

The funding library can have a section on technical assistance with a roster of experts available to help and a section on local funding. (The community foundation could be the publisher of the local grantmakers listing.)

A library can have a subscription to the Federal Register which lists all government funding (before public notice). Members of Congress get multiple subscriptions to the Federal Register, and often they will give one to the funding library.

One foundation had volunteers review the Federal Register, GAO Reports, and other government publications; and when something relevant was found, it was copied and sent to the applicable agency that would benefit from receiving the information. The cover letters said, "This material is sent to you for your use, and this was made possible by Congresswoman _____."

Many funding libraries are located with the public library or on a college campus. The ideal location is at the community foundation because it can be kept current; it can have the information listed above, and it is an excellent marketing tool for the foundation.

The library can be run by a volunteer.

The exciting thing about a funding library is that it lends itself to new ways to serve non-profits. One community foundation had computers for use by non-profits, and this became a computer laboratory that eventually spun off from the library to train non-profit personnel.

Other services a funding library can offer include a computer linkage to the Foundation Center data base. Thus a fund seeker can search via computer. The library can also offer IRS microfiche which shows the tax returns of foundations and gives complete information on foundations.

One of the most exciting things a funding library can do is offer management seminars that tie in with the community foundation's program of technical assistance.

For information on funding resource libraries:

Richard Romeo or Sharon Braude, Cooperating Collection, Foundation Center, N.Y.
1-800- 424-9836

Georgia McDaniel, Funding Library, Peninsula Community Foundation (415) 358-9392

Management Seminars

The concept of a 'living library' is such that it does more than just offer resource materials. A funding library can sponsor management seminars for non-profit personnel. Such seminars cover every imaginable topic related to running a human service program.

The library and its community foundation sponsor find outstanding professionals and book them for seminars that last from 9 A.M. - 1 P.M. The seminar is designed to be informal, interactive, and informative. The speaker specifically focuses the presentation to meet the needs of those present.

A charge of \$10 to \$20 covers most of the costs involved. Lunch is furnished (sandwiches and drinks), and the speaker is paid up to \$50 an hour for a total of \$150 for the presentation. Whenever possible the speaker furnishes handout materials. (In some cases, speakers don't cost anything.)

Not only does such a seminar bring new information to non-profit personnel, it also introduces an expert to the audience - someone who can be called on as a consultant in the future. This ties in closely with the effort by community foundations to offer technical assistance to agencies. Thus, if an agency person feels the expert would be useful as a consultant, the sponsoring foundation can decide whether or not to put up the money for the consultancy.

Management seminars should focus on issues concerning running non-profit agencies. Topics which have been used are: Better Proposal Writing, Understanding Corporate Giving, Setting up a Filing System Where You Can Find Things Later, The Care and Feeding of Volunteers, Board/Staff Relations, Getting Money From Individuals, Going After Government Funds, Effective Bookkeeping for Non-Profits, Conquering Burnout, etc.

Many of the above seminars are given several times a year. Ideally, the foundation will hold a management seminar monthly for about twenty-five persons attending. A quarterly notice announces three seminars at a time, and people send in their reservations in advance.

The most successful seminar offered is "Meet The Grantmaker" where corporate, private foundation, and community foundation representatives make presentations about their work. Of course, no one is paid but a charge is made and the income helps to cover costs of seminars that don't pay for themselves. Such seminars are usually lively and very worthwhile in that the mystic of foundation work disappears and in its place develops a healthy relationship between grantee and grantor.

Directories

A community foundation is in an excellent position to produce resource directories. One such directory is the "Guide to Funders in _____ County." Often there is a statewide guide but a local listing of foundations, businesses, and others who are active philanthropically is very helpful to non-profits. Such a listing brings donors 'out into the sunlight'; no more secrets. As a result, donors become more sophisticated in their giving and often increase their giving.

Another directory is the "Directory of Human Services for _____ County." This is a listing of non-profits and other entities that serve the community. It is used as a reference source by libraries, by professionals, by funders. It isn't meant for distribution to individuals but it is available to anyone. A charge can be made for both directories but the community foundation should subsidize the initial production costs.

Comments on Grantmaking Consulting Program

" Thanks for your excellent bulletins. I've been using them in teaching grantmaking to our board."

L. Andrew Bell, III, President
Jacksonville Community Foundation

New Participant in Grantmaking Consulting

South Dakota Community Foundation

Materials Available from Grantmaking Consulting Program

- "What is Good Philanthropy"
- Sample Letter Setting up a Donor Advise Fund
- Sample Guidelines for Application
- "Criteria for Judging Applications"
- "Ways to Increase the Endowment"
- "Fundseekers Kits"

Includes - "Where Proposals Fail"
"Corporate Assistance Other Than Funding"
"Government Funding"
"Why Individuals Give"
"The Seven Sources of Funds for Non-Profits"
Proposal Writing Outline
The Letter of Intent
Writing a Proposal: A conceptual Framework
Gift vs. Grant

Foundations interested in receiving
grantmaking consulting may call (415) 854-2164

Philanthropic Ventures Foundation
3000 Sand Hill Road #2-165
Menlo Park, CA
PHONE (415) 854-2164
FAX (415) 854-2059

Oversight Committee

Joanne Scanlan
Todd Lueders
Andrew Bell
Ruth Shack
Tullia Hamilton

NON PROFIT
U.S. POSTAGE
PAID
Menlo Park, CA
PERMIT NO .275